

Questions & Answers About Bond Financing



What are voters asked on the May 18, 2010 ballot?

- Voter approval is required for the issuance of up to \$10.8 million in bonds for land acquisition and to construct, furnish and equip a new police and court facility.

How much does the issuance of \$10.8 million in bonds cost West Linn residents?

- Tax rates would increase about 29 cents per thousand of assessed value. This would cost about \$5 per month for a typical home with assessed value of \$200,000; or about \$60 per year.

How long will we have to pay this (or how long are the bonds for)?

- 20 years, which is the standard term of general obligation bonds.

What are the current interest rates right now?

- Tax-exempt interest rates are currently approximately four percent.

Are these costs only assessed against homeowners?

- No, all properties including commercial business that pay property taxes pay their proportional share based on 29 cents per thousand of assessed value.

How does the City sell bonds?

- If voters approve the issuance of bonds on May 18, 2010 the City would issue some of the bonds shortly thereafter to cover land acquisitions and the start of construction.
- Then, the remaining bonds would be sold during the construction period to fund the completion of the project.

Who will buy the bonds?

- An underwriter sells the bonds in the competitive bond market and typically they are purchased by the large brokerage firms. If you are interested in buying West Linn bonds, you would need to contact a broker directly.

When would West Linn citizens start paying?

- This depends on when the bonds are actually issued. If they are issued prior to September 15, 2010, then November 2010 will be the first time that citizens' property tax bills will increase to cover the payments for this bond issue. Otherwise, if they are issued after September 15, 2010, then November 2011 would be the first time.

Will the City and School District also pay for these bonds?

- No, both of those entities are public and exempt from property taxes.

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Published on City of West Linn Oregon Official Website (<http://westlinnoregon.gov>)

Will the previous bond money for an aquatic center be used?

- Yes, the plan is to use those funds to partially pay for the entire seven acres of land.

Will the operating costs of the new facility exceed the old facility?

- We estimate because of the condition of the old facility, and the LEED Gold standard of the new facility, that operating costs should be about the same.

What happens if voters do not approve this ballot measure?

- Bonds will not be sold and the City Council and community will have to decide what the next steps should be, if any.

This is one of three ballot measures on the May 18 ballot. What are the other two?

- Measure 3-357 would annex 3332 and 3151 Parker Road into the City; this property would be purchased from the West Linn/Wilsonville School District for the new police and court facility.
- Measure 3-358 would authorize the sale of a portion of Sunset Park to allow the West Linn/Wilsonville School District to maintain Sunset Primary School at its current location.

What happens if the three ballot measure are approved by the voters?

- The City has signed agreements such that if the three ballot measures are approved, the City will:
- Sell a portion of Sunset Park to the School District so Sunset Primary School can be replaced at its current location;
- Purchase the Parker Road property being annexed; and
- Construct a new police and court facility on a portion of the annexed property.

What happens if one or more of the ballot measures are not approved by the voters?

- The transfers of the properties, the City's to the District and the District's to the City, are contingent upon City voters' approval of two measures:
- Approval of annexation to the City of the Parker Road property.
- Approval of sale of Sunset Park property, as required by City Charter.
- If either of these ballot measures fail, City and District agree to consult with each other before making other plans for these properties.
- If the annexation and park sale measures pass, but the bond authorization fails, then the City will still purchase the Parker Road property, and will work with the City Council and community to determine next steps.

A general question about City finances... are the City's audits current and proper?

- Yes, all financial audits are current, properly filed with Secretary of State-Audits Division, and available for review at: <http://westlinnoregon.gov/finance/finance-home>.

When was the last time a City general obligation bond was approved by the voters?

- In 2000, for the Library remodel. The City has two outstanding general obligation bonds that are currently subject to repayment.

How can I learn more about the trio of ballot measures?

- Online: <http://westlinnoregon.gov/policestation>
- Twitter: #wlpolicestation
- Contact: Bridget Saladino @ 503/723-2525 or bsaladino@westlinnoregon.gov

Supporting Documents



[Download and share the Finance Q&A](#)

- [Police Station Ballot Measures](#)

Source URL (retrieved on 2010-05-29 13:00):

<http://westlinnoregon.gov/policestation/questions-answers-about-bond-financing>